



PATHWAY TO PROSPERITY

New York's Career Pathways initiative represents a significant step forward for workforce development in the city; while there is room for improvement, it breaks ground by going beyond short-term job placements and focusing on getting low-income individuals the skills to obtain decent paying careers

This report was written by Thomas Hilliard and edited by Jonathan Bowles, Andrew Breslau and Lydia Wileden. We also received invaluable feedback from several people, notably Patricia Jenny, Bret Halverson, Sara Rosen, Leslie Gimbel, Amy Barger, Yancy Garrido, Russell Sykes and Bruce Herman. It was designed by Ahmad Dowla.

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PATHWAY TO PROSPERITY

Even before the Great Recession prompted policymakers to take a closer look at public programs designed to help unemployed Americans re-enter the workforce it had long been clear that federal, state and local government workforce development programs have not always effectively prepared low-income individuals to obtain decent-paying jobs. Job training and workforce preparedness programs are far from a bust: they have moved countless out of work individuals into jobs and, in recent years, many local workforce development systems—like the one in New York City—have clearly improved. However, the workforce systems in New York and across the United States have been far less successful in helping individuals develop new skills or upgrade their skills to be better-positioned over the long term to access the kinds of jobs that offer decent wages and clear opportunities for advancement.

In response to these shortcomings, a number of states have developed creative approaches to improve training of adult workers. In Illinois, the state economic development agency has launched a system of community-business partnerships that develop job-linked training initiatives. In Washington State, community colleges have built a team-teaching system to provide integrated adult literacy and vocational instruction. And in several states—most notably Oregon, Kentucky and Arkansas—state leaders have adopted a model called “Career Pathways,” which integrates education, workforce development employment and supportive services in a way that keeps workers moving forward to achieve family supporting wages. While these models are diverse in structure, they all focus on providing deeper and more diverse skills training informed as directly as possible by employer needs.

New York has also begun the process of remaking its workforce development system, with an unusually strong commitment to the most disadvantaged adults. In 2008, New York launched the Career Pathways program, a joint initiative of the Office of Temporary and Disability Assistance (OTDA) and Department of Labor (NYSDOL). Over the last three years, New York has invested over \$22 million in federal public assistance and workforce dollars in Career Pathways—a small portion of the state workforce training budget, but substantially more than most states have committed to new approaches.

This study provides the first assessment of how New York’s foray into Career Pathways is working. We find that while New York’s Career Pathway program falls short of similar efforts in other states in critical ways, the program represents a significant step forward for workforce development in New York City and, with the right support and a few adjustments, could provide the cornerstone for a new, better integrated workforce system.

In the years ahead, it will become critical for New York to improve its workforce development system. Hundreds of thousands of New Yorkers are currently out of work, and a large proportion of them lack the skills to effectively compete in today's economy. Without a more effective workforce system, these individuals will find it increasingly difficult to obtain decent-paying jobs or advance in their careers. Furthermore, workforce development is also a service provided to employers. As the economy recovers, the local labor market may suffer from a skills mismatch in which thousands go unemployed while employers search in vain for skilled workers in high-demand sectors. Building the skills of New York's home-grown workforce at all income levels is essential to maintaining the city's competitive edge. Yet New York's current workforce training system falls short of the needs of employers and low-income adults.

A key problem is that the primary federal law financing workforce development—the Workforce Investment Act (WIA)—rewards workforce providers for offering short-term vocational skills training and job placement programs. The long-term benefit of such assistance is disputed. Studies have found only modest value-added in these “express training” programs. Furthermore, WIA holds providers accountable for achieving high rates of job placement and retention, but says nothing about training those who cannot obtain skilled employment on their own. The result is a

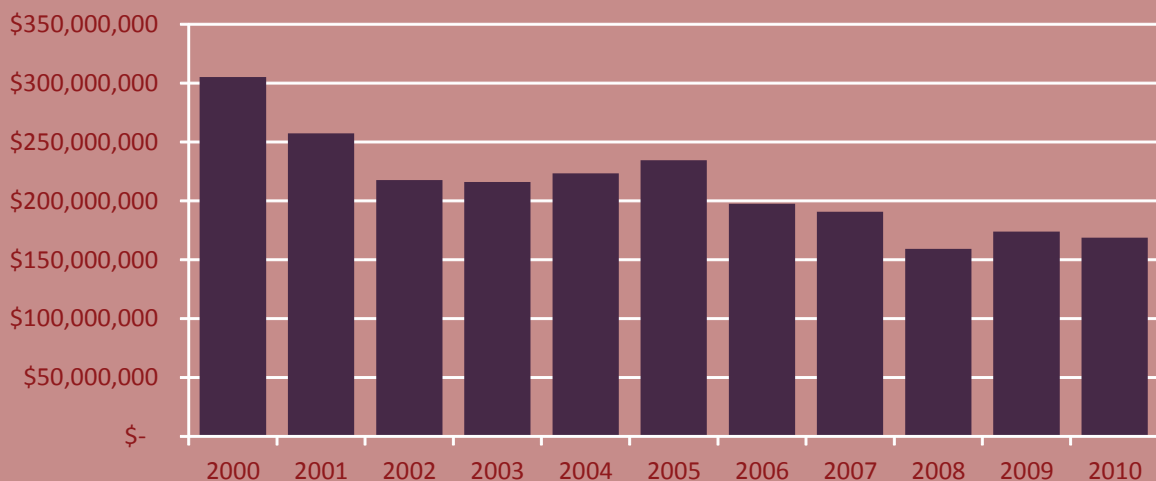
powerful incentive to “cream” the most prepared applicants.

These problems are exacerbated by fragmentation within the universe of workforce services. For instance, federally financed public assistance, workforce development and adult education programs in New York vary dramatically in eligibility standards, targeted outcomes, program rules and record keeping. As compliance-oriented systems, they expend significant time and resources screening applicants and collecting data that sometimes fails to measure the most important outcomes. No overarching vision links these different programs, and accountability within and between programs is minimal. As a result, low-income clients struggle to make the programs fit together in their own lives, often dropping out of programs unnoticed or failing to seize the best opportunities.

Providers are further discouraged from offering integrated programs by the steadily decreasing funding for workforce development. Over the past decade, federal workforce training funds under WIA have dropped by almost half in New York State, from \$305 million in 2000 to \$169 million in 2010.¹ The 2000 funding level has dropped precipitously from 20 years prior. With this funding decline went much of the momentum for creative delivery strategies for workforce development.

Chart 1

Funding under WIA Title I in New York State, 2000-2010



Source: New York Association of Training and Employment Professionals. Note: Totals exclude temporary funding through the American Resource and Recovery Act.

The New York Career Pathways program confronts most of these challenges. Career Pathways came to New York in 2008 as part of a pioneering partnership between OTDA and NYSDOL. By collaborating, the two agencies were able to fund New York's Career Pathways pilot program from two very different federal funding streams: TANF (Temporary Assistance for Needy Families), the program which disburses public assistance to low-income residents; and WIA, which supports a host of job training and workforce development initiatives.

Our assessment of the structure and implementation of New York's Career Pathways initiative in New York City finds that the program breaks new ground in several important ways:

- **Targets low-skilled adults.** The initiative has successfully targeted low-income adults, whereas many workforce programs effectively “cream” higher-income or more successful adults. Participants at entry are required to have family income at less than 200 percent of the Federal Poverty Level (\$44,000 for a family of three). Data from contractors shows that four out of every five participants have family income below this level.
- **Integrates public assistance and workforce funding.** Both public assistance and workforce development rely primarily on funding from federal programs with starkly different missions, eligibility rules and outcome measures. Through creative collaboration between the leadership of two state agencies, these differences were bridged and a program launched that blended funding from both programs and satisfied federal requirements.
- **Focuses on educational credentials.** By providing performance funding for clients who achieve occupational and educational milestones, the state is recognizing that credential attainment is an indispensable part of economic success in the new economy and is developing a structure to support it.
- **Boosts skills for low-literacy adults.** Low-income adults are often unable to participate in workforce training programs because they lack the literacy skills to qualify. Through “feeder programs” funded by the New York City Workforce Funders at two nonprofit Bronx providers, the state was able to test a model for literacy, ESL and math instruc-

tion for adults who could then enroll in a Career Pathways program.

The Career Pathways program receives positive ratings from workforce development experts who have seen state training programs come and go over the years. They give Career Pathways high marks for pushing the workforce development system beyond short-term job placements and towards long-term skills development. Career Pathways values and rewards skills mastery and credential attainment as well as job placement and retention, and differentiates in “job quality”: positions offering higher wages and benefits are valued more highly than those paying closer to minimum wage. The connection between credential attainment and job placement gives providers strong motivation to collaborate with employers and organizations offering credential programs.

While we find that New York's Career Pathways pilot program is on the whole a positive experiment that should be continued, there are clear areas where improvements should be made. A key shortcoming is that New York's Career Pathways initiative is not structured along the lines of career pathways systems established in other states. These systems provide more intensive training necessary to obtain skilled employment, typically a year's study leading to a market-recognized credential. Related to this, states such as Oregon, Kentucky and Arkansas rely primarily on community colleges rather than community-based organizations, emphasize education rather than short-term vocational training to employment, manage their systems through close collaboration between state and local agencies and stakeholders, and fund programs on a multi-year basis to encourage long-term planning.

The career pathways model in other states is based upon postsecondary credential attainment, and community colleges are frequently described as the “linchpin” of career pathways. The postsecondary component is essential because changes in the economy have increased the educational requirements for long-term economic success. The landmark Tipping Point study sponsored by Columbia University's Community College Research Center found that low-skilled adults reach the “tipping point” for increased earnings after roughly one year of postsecondary education and training and a marketable credential.² Community colleges are essential partners in establishing career

pathways that extend to stable and family-supporting jobs.

“‘Career Pathways’ is a framework and series of steps leading to a postsecondary credential,” notes Brandon Roberts, a leading national expert on Career Pathways and workforce development. “People do need interim skills and credentials along the way, as work is a fundamental part of their life, but the goal and series of steps is to a postsecondary credential or ultimately a degree.”

The community colleges of the CUNY system have traditionally served as the primary route by which low-skilled adults in New York City can achieve a postsecondary credential. Yet CUNY has not been invited to join the Career Pathways Program as a partner, and individual colleges in most cases play only a limited role.³

Without community colleges as a partner in this effort, New York’s pilot program has been restricted to shorter pathways than comparable programs elsewhere. For example, a nursing career pathway in Oregon or Kentucky would extend from entry-level Home Health Aides up to the Registered Nurse level or even beyond. However, most nursing career pathways in

New York’s pilot program stop at Certified Nurse Aide (CNA) or CNA with Phlebotomy/EKG Certifications. Further steps on the nursing pathway would require postsecondary training, and the New York program is not structured to support that. “Career Pathways is defined by industry,” says Mimi Maduro, statewide director of the Oregon Pathways Initiative. “I know of none that would end the pathway at CNA or LPN. That’s the beginning of the process, not the end.”

New York’s Career Pathways initiative also lacks the collaboration among multiple providers and agencies, which is vital to other states’ career pathways initiatives.

When the Career Pathways initiative is viewed within the context of New York’s existing workforce development culture, the Career Pathways initiative looks quite impressive. That being said, the state would take a leap forward if it made a few basic reforms, such as creating partnerships with institutions of higher education; establishing long-term goals and funding structures; organizing state and regional planning bodies and overhauling performance measures to emphasize more intensive educational experiences.

WHAT IS CAREER PATHWAYS?

A career pathways system is a series of connected education and training programs and support services that enable individuals to secure employment within a specific industry or occupational sector and to advance over time to successively higher levels of education and employment in that sector.⁴ A high-functioning career pathway system builds a series of stepping stones that enable disadvantaged youth and adults to reach economic self-sufficiency.⁵ The core components of career pathways include:

- Multiple entry points, e.g., from adult education, English as a Second Language (ESL) and workforce training programs, not simply through high school.
- Innovations in program content and delivery, e.g., flexible scheduling, contextualization and integration of bridge programs.
- Sequence of education and training leading to credentials with value in the labor market.
- Support services that include career assessment and counseling, case management, child care, financial aid and job placement.
- Strong role for employers in pathway development, worksite training and contribution of resources.

At each point along the pathway, the provider should prepare participants for the next levels of education and employment, and also motivate the participants to advance by exposing them to available opportunities.

THE NEW YORK CAREER PATHWAYS PROGRAM

New York's Career Pathways Program breaks from traditional workforce development programs in important ways. At the same time, it departs from the template of career pathways initiatives in other states.

The unusual structure of the Career Pathways program results in part from its ad hoc origins. A working group of state and local advocates convened by the National Skills Coalition (formerly the Workforce Alliance), which pushes for innovative workforce programs, entered into discussions with leaders of two state agencies: NYSDOL, which disburses and manages federal WIA funds, and OTDA, which does the same for the TANF program.⁶ The two agencies were seeking opportunities to collaborate and saw the career pathways model as one that enabled the two programs to buttress one another's weaknesses. "WIA doesn't reward service providers for educational attainment," notes Bruce Herman, NYSDOL's Deputy Commissioner for Workforce. "TANF allows for that. We were trying to overcome the limitations of the funding streams by working in concert."

The partnership between NYSDOL and OTDA shaped several features of the initiative. NYSDOL sought a more effective approach to integrating federal WIA workforce funding with other funding streams. OTDA saw an opportunity to strengthen economic opportunities for public assistance recipients and others who might be eligible for public assistance. While caseloads had fallen sharply over the previous decade, the large majority of former public assistance recipients who had transitioned to work found themselves stuck in low-paying jobs with little prospect for advancement. OTDA Commissioner David Hansell became a key administration supporter. "Commissioner Hansell was pushing for the state to allow more recipients to do education and training activities," recalls John Haley, OTDA's Director of Employment Contract Management.

In early 2008, NYSDOL agreed to provide \$2.5 million for the pilot program from federal WIA discre-

tionary dollars, and OTDA matched that commitment with \$2.5 million from federal TANF dollars. The consensus agreement came too late for inclusion in the Governor's Executive Budget, so it was added to the New York State Assembly budget proposal instead. As a result, the Assembly imposed several restrictions on the funding. Of these, the most important was a limitation on grant eligibility. Only community-based organizations would be eligible to compete for grants, thereby excluding community colleges from direct participation. In addition, the Assembly required that 40 percent of the participants should be TANF recipients, although OTDA would have authority to reduce the share to 25 percent.

In August 2008, NYSDOL and OTDA released the Career Pathways Request for Proposals (RFP), with a pledge to make at least ten awards of up to \$500,000 statewide, from a total first-year budget of \$5 million.⁷ Half the money would be reserved for projects operating in New York City.

A collaboration with the New York City Workforce Funders, a consortium of foundations and corporate philanthropies that pool their resources to address a range of workforce development issues, added a new and important dimension to the program. Workforce programs typically require minimum entry thresholds, such as a 10th grade reading level or a basic knowledge of algebra. These standards are needed to ensure that students can handle the curriculum of the program and achieve their goals. But the standards can act as a barrier to lower-skilled adults. The Workforce Funders offered a pool of \$200,000 to fund a set of "feeder programs" to prepare low-skilled residents for entry into career pathways programs by providing intensive literacy and numeracy instruction. These pilot programs would test a model that contextualizes the curriculum for the vocational field these students were preparing to enter.

Structural features of the Career Pathways program, as outlined in the RFP, are as follows:

- **Applicant Eligibility.** Only nonprofit CBOs are eligible to apply. Those organizations can subcontract with organizations that are not eligible to serve as a lead applicant agency, such as community colleges.
- **Selection Priority.** CBOs will receive priority if they focus on serving unemployed or underemployed youth in high-unemployment areas; participate in a community-based collaboration comprised of education and training providers and employers; partner with agencies and employers who leverage additional resources; plan to serve public assistance recipients beyond the minimum requirements.
- **Award Timeframe.** The original contract stipulated a one-year timeframe starting in January 2009 and ending the following January, which would have resulted in very abbreviated training deadlines. The sponsoring agencies and contractors expected the initiative to have a longer duration, but could not formally plan for such a timeframe given the uncertainty of annual budget appropriations. The program was scheduled to terminate in January 2011, but the state Legislature has renewed funding for an additional year.
- **Participant Eligibility.** The RFP limits participation to three groups of adults: 1) public assistance recipients; 2) TANF-eligible individuals—U.S. citizens or qualified non-citizens who earn less than twice the federal poverty level⁸; and 3) individuals who qualify for WIA services, which for purposes of the RFP also refers to individuals earning less than twice the federal poverty level. At least 70 percent of the total funds must serve TANF-eligible adults, and 40 percent of the total funds must serve public assistance recipients. In order to become a public assistance recipient, an adult must have an income below the federal poverty level and meet other standards as well.⁹ All participants must earn less than twice the federal poverty level at entry. At least 30 percent of Career Pathways funding must go to participants between ages 18 to 24.
- **Payment.** CBOs are paid for achieving three types of “milestones” with each participant:

1. **Credentials:** the CBO is paid between \$250 to \$1000 for each credential earned by a participant, up to a maximum of three. Credentials include high school diplomas, GEDs, post-secondary degrees, job skills credentials, and National Work Readiness Credentials.
2. **Job entry:** the CBO is paid between \$500 to \$1500, depending on earnings, for each participant who obtains a job and keeps it for at least 30 days.
3. **Job retention:** the CBO receives an additional payment when the participant keeps a job for 90 days and another when the participant keeps a job for 180 days.

The organizations that received the New York Career Pathways grants were predominantly large workforce providers with a strong network of partnerships; a track record of successfully placing hard-to-serve participants in jobs; sophisticated administrative infrastructure; and a range of other funding streams to support current programming. “The funding wasn’t enough to support a new separate career pathways program,” explains OTDA’s John Haley. “Our intent was always that organizations could build on what they were already doing to incorporate Career Pathway features and serve more people.”

In 2009, the program was renewed and expanded. Utilizing federal stimulus funding, OTDA raised its share to \$10 million, while NYSDOL maintained its \$2.5 million WIA contribution for another year. In June 2010, program funding was extended until January 2012. To date, New York State has invested \$22.5 million in the Career Pathways program.

The program is notable for its focus on serving lower-skilled adults often excluded by conventional workforce development and social services programs. Such “creaming” occurs because providers profit more by enrolling participants with relatively higher skills and fewer barriers to work. The financial incentives for the organization are to produce outcomes that generate payments—even if those outcomes offer more for the organization than for the participant. The trend in social service contracts has been toward “performance-based” reimbursement: paying vendors for outcomes (typically job placements, attainment of educational credentials, reaching job retention milestones or wage gains) after the fact.

TABLE 1: CAREER PATHWAYS PROGRAM PROVIDERS, NEW YORK CITY

| Provider | Career Pathways |
|--|---|
| Tier I: Providers Starting February 2007 | |
| BronxWorks | Health Care (two tracks: PCA/Certified Nurse's Aide (CNA), Pharmacy Technician); Construction |
| Jewish Community Council of Greater Coney Island, Inc. | Health Care (two tracks: Certified Emergency Medical Technician, Medical Biller/Coder with Medical Office Administrative Skills) |
| Ridgewood Bushwick Senior Citizens Council, Inc. | Construction; Security; IT; Health Care (two tracks: HHA/CNA/PCT; LPN and RN) |
| St. Nick's Alliance | Environmental Remediation; Commercial Truck Driving |
| STRIVE | Green Construction; Office Operations; IT |
| The Way to Work (Vocational Foundation, Inc.) | Certified Customer Service Representative; Certified Medical Administrative Assistant; Licensed Security Guard |
| Highbridge Community Life Center | Healthcare (CNA, Phlebotomy) |
| Lutheran Family Health Centers/ Lutheran Medical Center | Teledata Cable Installation; Commercial Driving; Television/Film Production Assistant; Entry-level Health Careers; Business Office Associate |
| Seedco | Construction; Building Maintenance; Retail; HHA, Direct Care Worker |
| SoBRO | Healthcare/EMT; Transportation/Commercial Driver; Retail |
| Elmcor Youth & Adult Activities, Inc. | IT/Administrative Support Occupations; Healthcare – Medical Assistant, EMT/Paramedic, Pharmacy Technician, CNA, Phlebotomist; Protective Service – Security Guards, Airport Screener; Transportation – CDL A & B Driver, Deliver Driver, Dispatcher |
| Tier II: Providers Starting October 2009 | |
| El Barrio's Operation Fightback | Healthcare – HHA/CNA |
| Center for Employment Opportunities | Plumbers, Electricians, Refrigeration Specialist |
| Restaurant Opportunities Center of New York | Food Preparation, Food Service |
| Year Up NYC | Information Technology/Computer Support; Business and Financial Operations |
| Per Scholas, Inc. | Information Technology/Computer Support/A+ Certification |
| Metropolitan College of New York | Healthcare – Nursing; Human Services; Administrative Support Services; Computer Information Systems; Business; Urban Studies; Financial Planning & Management, HR Management, and Accounting for Nonprofits |
| CAMBA, Inc. | Customer Service; Energy Technician; Building Trades/Weatherization |
| HANAC, Inc. | Green Industry |
| Source: New York State Office of Temporary and Disability Assistance | |

The payment structure utilized by the Career Pathways Program breaks away from this system in two ways: by positioning educational attainment as a paying milestone, and by providing some of the payment through a cost reimbursement structure rather than utilizing an entirely performance-based reimbursement approach. This allows providers to be more flexible as well as more ambitious in their program design, routing participants toward a longer-term education outcome. Paying 40 percent of costs on a reimbursement basis helps to assure completion of initial training activities. It should be noted,

however, that 60 percent of funding is performance-based, and the majority of that funding is based on placing clients in jobs and on their job retention for 90 or 180 days.

In addition, the requirement to provide services to TANF recipients and TANF-eligible adults focused the application approval process and contractor implementation on adults at lower education and skill levels, while the feeder programs created a mechanism by which hard-to-serve adults could gain entry to the first rung of a career ladder.

LESSONS LEARNED

Launching a new initiative is inevitably a learning process. Contractors take differing amounts of time to gain necessary course certifications, forge partnerships with other organizations and employers, hire new staff, build administrative capacity and resolve implementation issues. Mid-course corrections are the norm, not the exception. Thus, in assessing the start-up of the Career Pathways program, we recognized that this promising program is still in an early stage of development.

It is possible to draw some early conclusions about the results of New York's experience with Career Pathways. After reviewing first-year performance data furnished by OTDA and interviewing dozens of leaders at community based organizations that provide workforce services as well as workforce development experts and officials from city and state government agencies, we gained the following insights about early implementation experience.

Contractors are successfully merging TANF and discretionary WIA funding. A key innovation of the Career Pathways program was to blend federal TANF and discretionary WIA funding streams so that community based workforce agencies can provide more intensive and wide-ranging services to participants. The large number of workforce agencies now utilizing TANF funding to provide workforce training services suggests that the combined funding program is working well. The funding structure could be broadened further by incorporating other funding sources as well, such as non-discretionary WIA Title I funding, federal and state adult education, career and technical education, and Food Stamp Employment and Training. If community colleges were integrated into the program, they could leverage additional funding sources.

Two contractors successfully implemented "feeder programs" that expanded Career Pathways to adults with low literacy. Leveraging grants from the New York City Workforce Funders, BronxWorks and High-

bridge Community Life Center (HCLC) offered basic health literacy and math courses to adults whose reading level (7th-8th grade) would normally disqualify them from entering a workforce program like Career Pathways. The courses utilized an innovative "contextualized learning" approach that relates literacy instruction to the vocabulary and concepts of the health care field. More than half of these students were able to enter and complete training to become Certified Nurse Assistants.

The condition of the labor market strongly affects employment and retention of participants. The program's payment structure tilts toward employment and retention over credential attainment. Yet contractor achievement of these milestones lags behind credential attainment. For instance, as Table 2 shows, 1,920 individuals participating in the initiative achieved an educational or occupation credential as of October 2010. In contrast, only 434 people were placed in jobs paying more than \$11,128, 149 individuals were retained for 90 days in jobs earning over \$15,860, and just 49 people were retained for 180 days in jobs paying more than \$17,836.¹⁰ This imbalance springs in part from the natural sequencing of education and job placement. Participants who complete an education or training program will often require additional time to find a job, and still more time to pass the retention milestones. Between spring and fall 2010, the placement rate as a share of the credential attainment rate rose from 12 percent to 22 percent, indicating that many participants who completed training are now finding jobs.

New York City fell into a deep recession as the Career Pathways pilot program commenced, leading to a sharp reduction in aggregate employer demand. While the recession has ended, the joblessness rate remains high. In interviews, contractors reported greater difficulty placing program participants in jobs, and, in some cases, uncertainty as to where "in-demand" jobs are to be identified. However, at a meeting

convened by OTDA, contractors reportedly expressed confidence in their ability to meet employment and retention goals. The difficulty contractors have experienced to date raises a question regarding the intended link between contractor performance and the performance measures chosen by OTDA. If macro-economic factors exercise the most decisive impact on whether clients obtain and keep employment, it is difficult to make the case that job placement and retention accurately reflect contractor performance. The same question applies to any workforce program, since these measures are standard to the field, but it is especially critical to a hybrid program that mixes education and workforce functions.

Achievement of job retention milestones has been lower than employment placement. Through the Career Pathways program, the provider receives a payment for placing participants in jobs paying roughly \$11,000 or more. The program wants to reward job stability too, so the state provides an additional payment if the employee stays in the same job for 90 days and 180 days. And to ensure that these jobs include income gains, OTDA and NYSDOL provide milestone payments to providers only for employees whose salary meets a threshold of just under \$16,000 after 90 days (a 42 percent increase) and just under \$18,000 after 180 days (a further 12 percent increase). If a program participant gains employment at the \$11,000 threshold, the contractor will not receive a retention payment after 180 days unless that participant's wage jumps by 60 percent. Some contractors argue that these escalating job retention thresholds are unrealistic: their clients' job opportunities will be at lower salaries and will not rise over such a short timeframe.

CBOs are not meeting their minimum quota for participation by TANF recipients, but they are serving a predominantly low-income population. The State Legislature specified TANF recipients as prime beneficiaries. The population served by each contractor must be comprised of at least 40 percent current or former TANF recipients. OTDA can reduce the quota to 25 percent if the local Social Services District (HRA in New York City) certifies that it is unable to refer a sufficient number of recipients. The majority of contractors outside New York City meet the 25 percent goal; however, very few contractors in New York City do. Of the 18 contractors in the five boroughs, only three met the 25 percent threshold. Only one of

those complied with the current 40 percent standard, and four organizations served no current TANF recipients. (See Table 3.) A key underlying problem is that HRA has chosen not to refer TANF recipients to Career Pathways contractors. Unless HRA reverses its policy and begins referring clients to the contractors, virtually all will be in non-compliance with their contracts.

It should be noted, however, that most contractors are serving a low-income population. While only 9 percent of participants at the median CBO are TANF recipients, 80 percent are low-income—that is, their family income is at or below twice the federal poverty level, \$44,100 for a family of three. This focus on low-income recipients clearly springs from—and validates—the program design, which requires all new entrants to be low-income. Despite the shortfall in participation by current and former TANF recipients, the program seems to be effectively targeting disadvantaged communities.

OTDA and its contractors do not have the data necessary to track skills progression and will have difficulty determining program effectiveness over time. Contractors provide OTDA with data on participant income, age and TANF eligibility, as well as data on employment and credential attainment. However, experts on career pathways initiatives recommend much more detailed education-related data collection and analysis.¹¹ Elements differ from state to state, but generally include demographic data on participants, prior and future educational attainment and program retention.

At present, the agency tracks only the number of participants who obtain credentials or employment. Thus, OTDA knows the number of program participants who obtained a GED credential in 2009 but not the number of participants who failed to obtain it. To determine program effectiveness, contractors should report on all participants.

A broader issue lies in the agency's lack of legal authority to track participants' labor market outcomes. Such authority is essential to document progress in the labor market after exiting the Career Pathways program, so that the most effective practices and contractors can be encouraged. To do so, OTDA would need the State Legislature to permit access to the state Wage Reporting System database.

TABLE 2: PRIMARY MILESTONES FOR PERFORMANCE-BASED REIMBURSEMENT AND FULFILLMENT OF MILESTONES AS OF NOVEMBER 2010

| Milestone | Value per Milestone | Goals | Achieved | % Achieved |
|---|---------------------|-------|----------|------------|
| Achieving Credentials (education or occupational) | (\$500 - \$1,000) | 2,019 | 1,920 | 95% |
| 30 Day Retention (>\$11,128 salary) | (\$500 - \$1,500) | 1,187 | 434 | 37% |
| 90-Day Retention in Employment (>\$15,860) | (\$1,000 - \$1,500) | 983 | 149 | 15% |
| 180-Day Retention in Employment (>\$17,836) | (\$1500) | 839 | 49 | 6% |

Source: OTDA. Note that reporting dates vary among contractors.

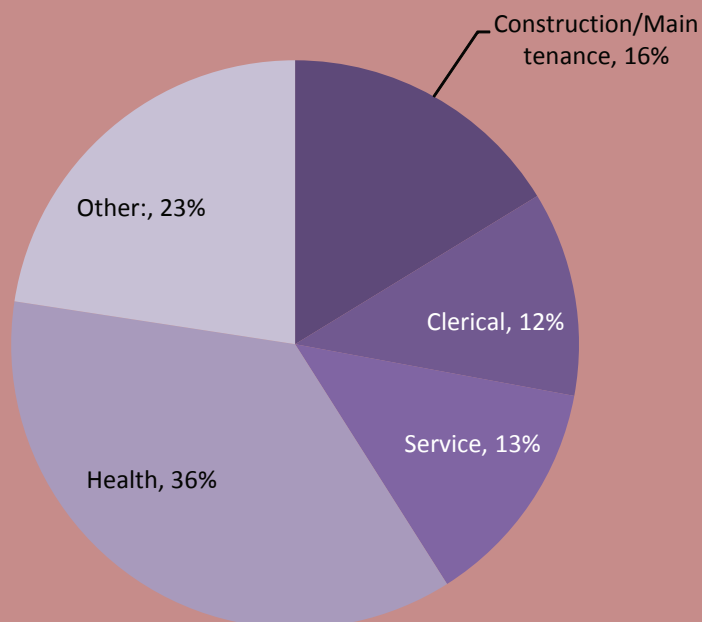
TABLE 3: TANF PARTICIPATION BY CAREER PATHWAYS CONTRACTORS, NEW YORK CITY, OCTOBER 2010

| Organization | TANF % | Under 200% FPL |
|--|--------|----------------|
| BronxWorks | 38% | 81% |
| CAMBA | 11% | 57% |
| Center for Employment Opportunities | 0% | 63% |
| El Barrio's Operation Fightback | 2% | 59% |
| Elmcor Y & A Activities | 9% | 69% |
| HANAC | 60% | 68% |
| Highbridge Community Life Center | 5% | 73% |
| Jewish Community Council Of Greater Coney Island | 3% | 87% |
| Lutheran Family Health | 0% | 93% |
| Metropolitan College of NY | 0% | 93% |
| Per Scholas | 0% | 100% |
| Restaurant Opportunities Center | 11% | 74% |
| Ridgewood-Bushwick SCC | 17% | 87% |
| SEEDCO | 5% | 72% |
| SOBRO | 1% | 96% |
| St. Nicks Alliance | 23% | 85% |
| STRIVE | 16% | 78% |
| The Way to Work (Vocational Foundation) | 31% | 100% |
| Year UpNYC | 8% | 87% |
| Median TANF Participation | 9% | 80% |

Source: OTDA Note: Data is from October 2010. One agency (Way to Work) did not report and was excluded.

Chart 2

Career Pathways Occupational Training by Sector



Occupational training has become more diverse over time. OTDA data on training programs for occupational certificates shows a significant sectoral shift over time. In the first months, six out of ten program participants were training for occupational certificates in the health care industry. A year later, the sectoral distribution has become more diverse, as participation in clerical, service and “other” occupations has gone up significantly in New York City. (See chart 2.)

The sectors targeted by contractors are highly variable in wage rates and opportunity for advancement. The 19 Career Pathways contractors have established programs to train clients in over 20 distinct occupations. We attempted to correlate job placement rates with sectoral/occupational tracks by establishing a monthly rate of job placement compared to each organization’s goals. Some scored high, others low, but we were not able to determine whether some sectors were more effective than others. Several contractors are pursuing multiple sectors, and those with the highest placement rates shared their sectoral choices with other providers who scored much lower.

Labor analysts we spoke with viewed certain sectors as more promising than others in terms of wage rates, growth potential and opportunity for advancement. Nursing and paramedic training, for example,

offer accessibility to low-skilled clients, clear professional career ladders and occupational growth over the next decade. Green construction has long been considered promising, but expected public investments have yet to arrive, leaving many applicants waiting for openings. Commercial trucking is a well-compensated occupation, but its dependence on private-sector demand makes it a risky choice during a recession. Retail may be the most questionable sectoral choice, given its poor compensation, weak benefits and shortage of opportunities for career advancement.¹² However, these broad assessments cannot substitute for careful projections of future sectoral and occupational demand, which the state and city should conduct and provide to contractors.

Participants are more likely to obtain occupational credentials than educational credentials. To date, of the 1,920 credentials that have been achieved, 99 educational credentials have been obtained: 73 GED certificates, 18 high school diplomas and eight bachelors/associates degrees. While postsecondary credentials would not be expected to show up at this early stage in the program, the pipeline for future attainment is not crowded. Of the 2,541 participants enrolled in credential-bearing programs in September 2010, only eight percent (208) were seeking an

educational credential of any kind. Of those, OTDA officials say almost all were seeking high school or GED degrees. This pattern diverges from the goals of a career pathways model and suggests the need for renewed focus on postsecondary attainment.

Serving young adults may not be appropriate for all contractors. The Career Pathways pilot program stipulates that 30 percent of all funding must be spent on clients between the ages of 18 and 24. OTDA did not provide data on CBO spending patterns by age group. However, all but five contractors served at least 30 percent young adults, with a median rate of 38 percent. The threshold is easily met by organiza-

tions such as Year Up and Per Scholas, which already serve this population. Other providers have traditionally served adults, and they report some discomfort with the age restriction, believing that they are inadequately prepared to offer age-appropriate support services to young adults. “The younger crowd needs extensive job preparation, extensive soft skills work,” says Jessica Nathan of BronxWorks. “Many of our clients came out of our young adult internship program. The amount of preparation was huge. If we were just pulling younger people off the street, I wonder if they would be successful.” Career Pathways does not pay for BronxWorks’ internship program.

TABLE 4: PROPORTION OF PROGRAM PARTICIPANTS BETWEEN AGES 18 TO 24, AS OF SEPTEMBER 2010

| Organization | Ages 18-24 % |
|--|--------------|
| BronxWorks | 29% |
| CAMBA | 57% |
| Center for Employment Opportunities | 7% |
| El Barrio's Operation Fightback | 18% |
| Elmcor Y & A Activities | 34% |
| HANAC | 8% |
| Highbridge Community | 36% |
| Jewish Community Council of Greater Coney Island | 81% |
| Lutheran Family Health | 66% |
| Metropolitan College of NY | 66% |
| Per Scholas | 100% |
| Restaurant Opportunities Center | 11% |
| Ridgewood-Bushwick SCC | 55% |
| SEEDCO | 40% |
| SOBRO | 25% |
| St. Nicks Alliance | 6% |
| STRIVE | 34% |
| The Way to Work (Vocational Foundation) | 99% |
| Year UpNYC | 81% |
| Median | 38% |

Source: OTDA. Note that reporting dates vary among contractors.

THE VIEW FROM THE GROUND: PERSPECTIVES OF CAREER PATHWAYS CONTRACTORS

We interviewed a sample of Career Pathways contractors for their views on the Career Pathways pilot program, its strengths and weaknesses, and challenges they face in serving disadvantaged communities.

On the whole, Career Pathways contractors support the initiative, although they differ on the extent to which it represents an advance over other workforce programs they operate. Some contractors established new activities with Career Pathways funding while others simply expanded existing activities, viewing the program as recognition of (and additional support for) the career-building nature of their current projects. Those contractors who saw Career Pathways

as a nice template for at least getting that started.”

The majority of contractors we spoke with did not initiate new programs with their Career Pathways funding, preferring instead to support existing programs. For these contractors, the restrictions and quotas on the clients to be served loom larger than any programmatic focus. “We don’t call Career Pathways anything different,” says Tanya Beaubrun of St. Nicks Alliance, a community development corporation based in North Brooklyn. “What makes Career Pathways different is that it’s harder. There’s a lot of case management. Our Career Pathways clients have a lot of obstacles, and they require more handhold-

The most significant implementation challenge for New York’s Career Pathways program is obtaining support from city agencies, notably HRA and SBS. HRA initially expressed support for Career Pathways, but then declined to refer TANF recipients to the contractors.

as substantively new cited the premium it places on guiding clients through educational and occupational credentials.

Some contractors also see value in the blending of TANF and WIA discretionary funds. Career Pathways provided Seedco an opportunity to expand and enhance its ongoing work by blending funding streams in pursuit of shared goals. “If the government did more of this, they could put a big part of Seedco out of business,” remarked Ben Seigel, Seedco’s former senior vice president for external affairs. “At the state and city level we have to blend as much as we can to make an impact. Career Pathways creates a

unique environment. It’s one of the most difficult programs I work with here, but it’s very satisfying, and we get a lot of our success stories from it.”

Career Pathways is regarded as less adversarial than many government contracting programs, primarily because of the collaborative tone set by OTDA staff. “We have a positive, contractor-friendly group at OTDA,” reports Sandra Greenstein of the Jewish Community Council of Greater Coney Island (JCCG-CI). “They understand the challenges we have on the ground, and they try to problem-solve with us.”

Each contractor is searching for the edge that will make their program effective—no small task in a de-

pressed labor market. One key factor is forging partnerships with employers. For example, Year Up NYC, a nonprofit that provides urban young adults a one-year program of skills development, college credits and corporate internships, sought to build occupational tracks cutting across multiple industry sectors. Year Up's extensive engagement with employers in the city's finance, health care, media and education sectors helped them define two occupational tracks for Career Pathways: information technology help desk tech and investment operations, both of which have proven effective paths into internships and subsequent full-time hiring by employers in these sectors.

Another key factor is mastering the balance between soft skills, educational attainment and vocational training. "Beginning around 2005, we saw that the model of just providing attitudinal training and job readiness was attracting fewer and fewer people into the program," recalls Angelo Rivera, former chief operating officer at STRIVE. His organization now offers three vocational tracks in the career pathways initiative—A-Plus computer certification, green construction and office operations.

Contractors must shift the expectations of their own staff and clients as well, who have been conditioned by traditional workforce programs to focus on short-term job placement goals. "In the workforce development world, people are not thinking about career advancement," notes Jessica Nathan, director of workforce development at BronxWorks. "It's also the mindset of our clients. They satisfy a goal, but they're not thinking about careers and using this [job] as a stepping stone."

Contractors also face a number of external challenges, of which the most frequently mentioned is the deteriorating labor market. "Placement was not an issue initially," recalls Greenstein of JCCGCI. "But it became an issue with the recession. Now the hospitals have hiring freezes." Linda Avitabile, HCLC's director of education in the South Bronx, concurs: "We track recently unemployed and recently homeless, and we've had strong increases in both areas. The change coincided with the start of Career Pathways."

While generally optimistic about meeting their initial goals as the economy recovers, some contractors express concern that their ability to meet employment goals may depend less on the quality of

their programs and more on macro economic factors.

The most significant implementation challenge is obtaining support from city agencies, notably the Human Resources Administration (HRA) and the Department of Small Business Services (SBS). HRA initially expressed support for Career Pathways, but then declined to refer TANF recipients to the contractors. Contractors repeatedly cite HRA's convoluted rules and disengagement from their work as a significant obstacle. Also, HRA's lack of support puts contractors at risk for non-compliance, since by law at least one-quarter of their clients must be current or former public assistance recipients. According to one contractor, "It is hard making those targets, because you're working with someone who is not that interested in working with you." Another contractor, asked to name the single most important step the city or state could take to assist their Career Pathways initiative, replied: "A stronger relationship with HRA. If clients thought HRA was behind them to succeed, that would help them see the big picture."

In addition, contractors we interviewed had difficulty accessing Individual Training Grants (ITGs), a federal funding source for workforce development that flows through New York City's one-stop centers (also known as Workforce1 Centers). SBS oversees the one-stop centers. Some contractors did not even attempt to gain ITG funding, even though they assist clients in sectors that SBS has designated as eligible for these grants. One that did reported poor results. "It's so labor-intensive, you have to allocate staff to do nothing but track the one-stops full-time," reports JCCGCI's Sandra Greenstein. More SBS support might make a difference in this area.

Contractors reported other issues as well, ranging from job retention wage requirements that are unrealistically high to uncertain funding that makes longer-term training models—such as postsecondary education—too risky. On the whole, however, the reviews were positive. Contractors had experience with a number of workforce development programs, and felt that Career Pathways compared favorably.

THE FEEDER PROGRAMS: GATEWAY TO VOCATIONAL TRAINING

Developing vocational skills may seem like a major hurdle to gaining work in a middle-skill occupation. But low literacy can present an even greater challenge. According to a recent study based on the National Assessment of Adult Literacy, working-poor adults are more than twice as likely as other working adults to read and understand math at a “below basic” level.¹³ Not only are many occupations closed to low-literacy adults, but many workforce programs are as well.

As NYSDOL and OTDA developed the Career Pathways program, they were approached by the New York City Workforce Funders with a collaborative proposal. The funders would select two Career

Pathways feeder programs to be most successful, followed by the health literacy course. The ESOL course provided weaker results. BronxWorks feeder program graduates completed Career Pathways at a lower but still respectable rate than other participants (45 percent versus 63 percent). HCLC found its health care literacy course to be quite successful. HCLC did not provide a comparison with non-feeder students, but reported that 78 percent of their feeder program participants graduated from their CNA training class and became certified.

The best practices that BronxWorks and HCLC found to be effective include:

The overall result of the feeder courses is one of qualified success: participants climbed up a steep learning curve, and the contractors learned how to implement a challenging model for connecting low-skilled adults to a workforce training program.

Pathways grantees to teach reading, math and English for Speakers of Other Languages (ESOL) to low-literacy adults, who would then become eligible to enter a traditional Career Pathways program. In this way, the collaborative could pilot a promising strategy to extend a career pathway to adults who otherwise would never qualify for it – perhaps hundreds of thousands of adults in New York City alone.

Two providers—BronxWorks and Highbridge Community Life Center (HCLC)—were chosen from ten proposals. Both organizations were training clients for Certified Nurse Assistant (CNA) certification in the South Bronx. BronxWorks launched two feeder courses, one in English for Speakers of Other Languages (ESOL), the other in math, and later added a health care literacy course. HCLC offered a health care literacy course.

Both organizations experienced strong results. BronxWorks’ staff considered the math tuto-

- Contextualized instruction: Both organizations provided literacy/math instruction that was “contextualized” to the health care field. This approach has been found in numerous studies to increase student engagement with the material and reduce dropout.
- One-on-one mentoring: Deficits in quantitative literacy are generally more intractable than reading and writing deficits. But BronxWorks found the math tutorial class to be its most effective. “It has a lot to do with the model, and with the one-to-one tutorials,” says Jessica Nathan. “Having volunteers come in after hours to mentor students is important.”
- Importance of screening: BronxWorks’ ESOL course suffered from inadequate screening. Some students were ineligible for a health care career due to criminal records, while others did not find CNA wage rates to be adequate.

THE WAY FORWARD: RECOMMENDATIONS

The Career Pathways program represents an important advancement for workforce development in New York City. It begins a long-overdue process of moving beyond a workforce system that emphasizes narrow funding streams, rigid agency and service provider silos, and short-term training for mediocre jobs.

By merging two important funding streams—TANF and discretionary WIA—the current program lays the groundwork for combining other funding streams. By reimbursing for educational attainment and professional certifications, the program acknowledges the importance of education and training in long-term career advancement. By balancing stringent performance-based reimbursement with a modest component of reimbursement based on costs incurred, it weakens the incentive to cherry-pick higher-skilled participants, and creates a route to participation by smaller providers who need an income stream earlier in the term of the contract. By linking programs of study to basic skills feeder programs, it opens occupational training to low-literacy adults.

Yet the Career Pathways program does not fully break away from the traditional workforce paradigm. By reimbursing so heavily for job placement and retention, it encourages short-term training. This tilt is greatly exacerbated by the program's uncertain year-to-year funding, which discourages CBOs from offering longer-term education and training programs, knowing that the participants may not graduate—and the CBO may not get paid—before the program terminates.

The trickiest issue is the role of community colleges. Excluding them has hindered the New York Career Pathways program. But including them is no panacea. Community colleges have shortcomings as well, most notably a shakier grasp on the cultural context and individual needs of their students than the average CBO. It is critical for the state to nurture the unique assets of the groups that currently provide workforce services in New York City. The most important next

step is not the inclusion of community colleges per se, but ensuring that Career Pathway opportunities include an intensive postsecondary educational experience. This will enable the Career Pathways Program to fulfill its mission of connecting low-income adults to stable, family-supporting jobs.

The state should continue to fund the New York Career Pathways program. New York is struggling with sizable budget deficits, in part because the weak economy has depressed tax revenues. The weak economy makes it all the more essential that the state support innovative economic development initiatives like the New York Career Pathways program. As consumer demand recovers, employers will have to ramp up delivery of products and services. At this point they will need access to a pool of skilled and credentialed workers. The New York Career Pathways program is not only important for its direct contribution to building that skilled workforce, but for its role in reshaping the state's workforce training system to more effectively engage with employer needs.

The state and city should integrate CUNY as an equal partner in the initiative. Six out of ten jobs that will be created over the next decade are expected to require a postsecondary credential. A Career Pathway that does not lead to a postsecondary credential stops short of providing a genuine opportunity to achieve economic self-sufficiency. A partnership between community colleges and CBOs, on the other hand, could leverage New York City's exceptionally capable nonprofit infrastructure to develop durable pathways for low-income and low-skilled residents. According to the Workforce Strategy Center, "community college/CBO partnerships allow both institutions to draw upon and contribute significant strengths and resources toward developing pathways to employment and career progression."¹⁴ It should be emphasized that voluntary options such as rewarding

CBOs for partnering with community colleges are of only modest value. Several partnerships proposed in CBOs' Career Pathways applications never materialized or fell apart, and others appear to be less than robust. Community colleges must be integrated into the program.

The city should take the lead in integrating direct delivery of Career Pathways services. HRA's refusal to collaborate with program contractors has significantly impacted their ability to serve public assistance recipients. Other city agencies could be more involved as well, notably the SBS, the Department of Youth and Community Development, and the Department of Education. The Mayor should designate a key official to coordinate support for the Career Pathways program. This official would be responsible for bringing together city agencies to collaborate with contractors and their counterparts in state government in building Career Pathways for low-skilled adults.

The state should take leadership in areas where its resources and legal authority can make a difference. Outsourcing the Career Pathways Program to a set of contractors, however capable, will not lead to a true career pathways system. State agencies such as NYSDOL, the State Education Department, and the Empire State Development Corporation should be intimately involved and committed to the success of the career pathways model, possibly using the state Economic Security Cabinet or the State Workforce Investment Board (WIB) as a vehicle. Ideally, state and local agencies should convene a working group of workforce investment boards, employer associations, CBOs and philanthropic funders to map out the web of education and employment handoffs, supportive services, and public/private funding sources that make a career pathway truly viable.¹⁵

Employers should be integrated more consciously into the Career Pathways program. With more decisive state and local leadership in the Career Pathways program, the city could seize an important opportunity—to work closely with employers in developing Career Pathways that reflect their sectoral structures and needs. By connecting Career Pathways to the New York City WIB and the city's key employer associations (and unions in key sectors such as health

care, hospitality and construction), it will be possible to map pathways with labor market value throughout the city and region.

The state should establish reliable multi-year funding so that contractors could help participants meet both short-term and longer-term career goals. Traditional workforce programs rely on short-term training cycles followed by job search. Career pathways, on the other hand, follow adults over time to assist them in obtaining higher levels of education and training, which result in increasingly higher-skilled (and better compensated) employment. Providing funding and commitment one year at a time defeats the point of a career pathways system. New York State should stipulate a multi-year cycle of funding for an effective career pathways system.

Expand the use of basic skills feeder programs. The BronxWorks and HCLC feeder courses piloted in the South Bronx enabled low-literacy adults to enter Career Pathways programs and succeed at reasonably high rates. This model could work on a wider scale, and the state should consider supporting feeder courses more broadly to combat the creaming effect so widespread in publicly supported workforce programs. However, the next round of feeder courses would benefit from funding of longer duration, more rigorous testing, and experimentation with other instructional models.

The state should significantly reform the performance measures it tracks and rewards. While 60 percent of Career Pathways funding is dependent on meeting performance outcomes, those outcomes do not fit the Career Pathways model, and in some cases do not effectively measure contractor performance. The state should reduce reliance on employment and retention outcomes, which reward staff for helping clients to "get a job" rather than build a career. These outcomes also tend to reflect broad labor market trends, rather than the ability of individual contractors. More attention should be focused on education and training outcomes, and those metrics should reward programs of study that reach the "tipping point" for increasing the income of low-income adults—which studies have found to be the equivalent of 30 college credits and a credential with value in the la-

bor market.¹⁶ In addition, the state could establish a performance outcome for contractors who bring high school dropouts or GED holders up to college-ready status—meaning ready to attend a CUNY community college without taking developmental courses. At present, only 13 percent of CUNY community college freshmen with GED credentials meet this standard.¹⁷

The state should evaluate contractors with a more rigorous cohort-based evaluation methodology. OTDA should evaluate outcomes using a cohort methodology. At present, OTDA can determine that a particular contractor provided training to enable a certain number of clients to obtain GED credentials. But it cannot determine how many clients started the course, how many completed it and failed the GED exam battery, and how many completed and passed. Only by looking at performance outcomes in the context of the “cohort” of participants can OTDA make any meaningful statements about the success of the Career Pathways program.

The state should authorize and support OTDA to track participants through multiple education, training and employment systems. The traditional reporting system used by the Career Pathways program involves self-reporting by the contractor, who is responsible for documenting credential attainment and employment outcomes. This system has proven to be unreliable across workforce development programs nationwide, particularly for employment. Furthermore, it does not provide the basis for drawing conclusions about the effectiveness of a career pathways model over time. Yet a great opportunity is on the horizon. The State Department of Education is preparing a data system that will extend the unique identifiers currently used in the PreK-12 system into postsecondary education. If the state enacts legislation connecting this database to the Wage Reporting System operated by the State Department of Taxation and Revenue, as several other states have done, the state could reliably track employment and retention outcomes for Career Pathways clients over a multi-year period.

The state should scale back the quota thresholds it sets for client participation in Career Pathways. The only other state to utilize TANF funding for a career pathways model is Arkansas, and that state requires only 11 percent of participants to be TANF recipients. New York’s 40 percent standard is difficult to achieve and potentially counterproductive. Weighing Career Pathways down with additional mandates may keep it sitting on the runway. This report has noted the importance of greater support from HRA. Still, if Career Pathways is to truly establish a coherent system that maps the progression from entry-level positions to college degrees, providers will need to serve some clients at higher income and education levels as well.

New York has taken the first steps toward establishing a better workforce and education system. While the economic downturn has limited immediate results, the infrastructure is in place to support employer needs in the recovery period. Now would be an excellent time to consolidate the gains made to date and prepare for a more ambitious journey.

1. Compiled by the New York Association of Training and Employment Professionals. Note that the funding decline would be even larger if adjusted for inflation.
2. Davis Jenkins, *Short Guide to Tipping Point Analyses of Community College Student Labor Market Outcomes*, Community College Research Center, April 2008. The original tipping point study was co-authored by David Prince of the Washington State Board for Community and Technical Colleges.
3. One exception is Medgar Evers College, which is partnering with Metropolitan College in a Career Pathways initiative.
4. Davis Jenkins and Christopher Spence, *The Career Pathways How-To Guide*, Workforce Strategy Center, October 2006.
5. This discussion relies on the following reports: Julie Strawn and Vickie Choitz, *Funding Career Pathways and Career Pathway Bridges*, Center for Law and Social Policy, May 2010; and Davis Jenkins, *Career Pathways: Aligning Public Resources to Support Individual and Regional Economic Advancement in the Knowledge Economy*, Workforce Strategy Center, August 2006.
6. *A New York State Career Pathways Fund: Advancing the Skills of Low-Income Workers and Meeting the Demands of Business*, November 2007.
7. *Career Pathways Program Request For Proposals*, New York State Office of Temporary and Disability Assistance in cooperation with the New York State Department of Labor, August 6, 2008.
8. Based on federal poverty guidelines, this would result in a 2008 limit of \$20,800 for an individual or \$35,200 for a family of three.
9. OTDA stipulated that it could reduce the requirement to spend 40% of funds serving public assistance recipients to 25% after confirmation by the local Department of Social Services.
10. Aggregate numbers are provided rather than data on individual CBOs because start-up dates and most recent reporting date vary for each provider. Thus unit-level comparisons would be invalid.
11. Davis Jenkins, *Steps for Evaluating (and Continuously Improving) Career Pathways Programs*, Workforce Strategy Center, November 2005. For state-specific examples, see Shauna King-Simms, "Looking Back at KCTCS Career Pathways," presentation to New Horizons Teaching and Learning Conference, May 19, 2009; and *Arkansas Career Pathways Initiative: Progress Report of Activities and Outcomes during Program year Three (July 1, 2007 – June 30, 2008)*, Workforce Strategy Center, March 2009.
12. See Diana Pearce, *The Self-Sufficiency Standard for New York City 2010*, Women's Center for Education and Career Advancement, June 2010, p. 24.
13. Lee Bruno, Ying Jin and Dwayne Norris, *Building Career Ladders for the Working Poor Through Literacy Training*, American Institutes for Research, July 2010.
14. David Gruber, *Building Community College/CBO Partnerships*, Workforce Strategy Center, 2006.
15. Virginia is the most recent state to consider such an approach. See *Bridging Business and Education for the 21st Century Workforce: A Strategic Plan for Virginia's Career Pathways System*, Workforce Strategy Center, December 2008.
16. Cite to tipping point study. Also complete college America study on certificate attainment.
17. *College Readiness of New York City's GED Recipients*, Powerpoint presentation, Office of Institutional Research and Assessment, City University of New York, October 2008.

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